

**MEMORANDUM**  
**COUNTY OF PLACER**  
**DEPARTMENT OF ADMINISTRATIVE SERVICES**  
**PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors

FROM: Brett Wood, Purchasing Manager *BW*

DATE: April 22, 2014

SUBJECT: Original Equipment Manufacturer Auto Parts – Multiple Vendors

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**ACTION REQUESTED**

1. Approve the renewal of competitively awarded blanket purchase orders with multiple firms for the as-needed purchase of original equipment manufacturer automotive parts and service on behalf of the Placer County Fire Department, Placer County Sheriff's Office, and the Department of Public Works Fleet Services Division in the maximum aggregate amount of \$69,000, funded by each department's annual budget with no net County cost, for the period of April 1, 2014 through September 30, 2014;
2. Approve the renewal of negotiated blanket purchase orders with multiple firms for original equipment manufacturer automotive parts and service on behalf of the Placer County Fire Department, Placer County Sheriff's Office, the Department of Public Works Fleet Services Division, and the Department of Facility Services in the maximum aggregate amount of \$448,500, funded by each department's annual budget with no net County cost, for the period of April 1, 2014 through September 30, 2014; and
3. Authorize the Purchasing Manager to sign the resulting blanket purchase orders and to transfer funds between blanket purchase orders as needed.

**BACKGROUND**

The Placer County Fire Department, Placer County Sheriff's Office, Department of Public Works Fleet Services Division, and the Department of Facility Services require annual blanket purchase orders (BPOs) for the purchase of Original Equipment Manufacturer (OEM) automotive parts on an as-needed basis for each department's fleet of vehicles, emergency vehicles, and related equipment. On June 18, 2013 your Board approved the award of competitive Bid No. 10242 and negotiated agreements for OEM automotive products and dealer services needed throughout Placer County with the following firms:

**Firm's based on the Bid**

Cummins Pacific LLC – San Leandro, CA  
Riverview Intl. Trucks – West Sacramento, CA

**Firms based on Negotiated Agreements**

Auburn Ford – Auburn, CA  
Future Ford Inc. – Roseville, CA  
Elk Grove Dodge – Elk Grove, CA  
Performance Chevrolet – Sacramento, CA  
Auburn Honda – Auburn, CA  
Auburn Toyota – Auburn, CA  
Nixon-Egli Equipment – Tracy, CA  
Holt of California – Sacramento, CA  
Cashman Equipment Company – Henderson, NV  
A-Z Bus Sales – Sacramento, CA  
Sonsray Machinery – Los Angeles, CA

Magnussen's Auburn Dodge – Auburn, CA  
Gold Rush Chevrolet – Auburn, CA

Sacramento Truck Center – Sacramento, CA  
Smith Power Products – Sparks, NV  
Valley Power Systems Inc. – West Sacramento, CA  
Owen Equipment Sales – Portland, OR  
Gillig LLC, – Hayward, CA  
Snoquip Inc. – West Sacramento, CA  
Pape Machinery – Sacramento, CA  
Motor Coach Industries – Schaumburg, IL  
Edward R. Bacon – Sacramento, CA  
Silver State International – Sparks, NV  
New Flyer Industries Canada – Winnipeg, MB

The departments submitted requests to renew the BPOs for another six-month term while a new bid is developed, which is intended to improve the bid pricing structure. The majority of the vendors have agreed to renew at the same pricing, terms and conditions. A renewal is still being negotiated with Owen Equipment and will be finalized as soon as possible. Motor Coach Industries agreed to renew with a reduction to their offered percent discount off list price from 24% to 20%. Pape Machinery and New Flyer Industries Canada agreed to renew with proposed price increases averaging from 12.28% to 19.44% overall. The proposed price increases are attributed to rising labor costs and costs being passed on from their suppliers. Procurement Services determined that these proposed increases are reasonable and supported by each vendor's satisfactory level of service provided to the departments and the vendor's ability to meet the County's requirements. Section 15 of the General Terms and Conditions of Bid No. 10242 allows for the renewal of the existing agreement on a year-to-year basis upon the successful negotiation of the renewal pricing and terms. Placer County Purchasing Policy Manual Section 1.3(o) also allows for the renewal of a contract based on the vendors' satisfactory contract performance.

### **FISCAL IMPACT**

Upon your Board's approval BPOs will be awarded to the firms noted in the maximum aggregate amount of \$517,500 and will be effective for the period of April 1, 2014 through September 30, 2014. Each department's purchases are funded by their annual budget with no net County cost.

cc: Rui Cunha, Assistant Director - Emergency Services  
Kim Davis, Senior Administrative Services Officer - County Executive Office  
Shelley Beninga, Accountant Auditor I - County Executive Office  
Valerie Bayne, Administrative Services Manager - Facility Services  
Cynthia Taylor, Senior Administrative Services Officer - Public Works  
Chuck Gordon, Manager-Fleet Operations - Public Works  
Judy LaPorte, Administrative Services Manager, Sheriff